

# Notice of the Annual General Meeting

## BLUE STAR LIMITED

CIN: L28920MH1949PLC006870

Registered Office: Kasturi Buildings

Mohan T Advani Chowk, Jamshedji Tata Road, Mumbai 400 020

Tel: +91 22 6665 4000, www.bluestarindia.com

**NOTICE** is hereby given that the 72<sup>nd</sup> Annual General Meeting (the 'AGM') of the Members of Blue Star Limited ('the Company') will be held on Thursday, August 6, 2020 at 3:30 p.m. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

### A. ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a) the Audited Financial Statement of the Company for the financial year ended March 31, 2020, along with the reports of the Board of Directors and Auditors thereon; and
  - b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2020, together with the report of the Auditors thereon.
2. To confirm the interim dividend of ₹10 per equity share of ₹2 each of the Company and consider the same as final dividend for the financial year ended on March 31, 2020.
3. To appoint a Director in place of Mr Rajiv R Lulla (DIN: 06384402), who retires by rotation, and being eligible, offers himself for re-appointment.

### B. SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration amounting to ₹13,00,000 (Rupees Thirteen Lakhs only) excluding out of pocket expenses and other applicable taxes, payable to M/s Narasimha Murthy & Co, Hyderabad, Cost Accountants, (Firm Registration No. 000042), who were appointed as the Cost Auditors of the Company, by the Board of Directors based on the recommendation of the Audit Committee to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be and is hereby ratified and confirmed."
5. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable Regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and subject to the provisions of the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr Vir S Advani (DIN: 01571278) as Vice Chairman & Managing Director of the Company for a period of five (5) years, with effect from April 1, 2021, not liable to retire by rotation, upon the remuneration and terms and conditions set out in draft agreement placed before this meeting and initialed by the Company Secretary for the purpose of identification, with liberty to the Nomination and Remuneration Committee of the Company to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Nomination and Remuneration Committee and Mr Vir S Advani, subject to the same not exceeding the limits specified under Section 197 of the Act read with Schedule V of the Act or other applicable provisions of the Act;

**RESOLVED FURTHER THAT** as required under the provisions of clause 17(6)(e) of the Listing Regulations, approval of the Members of the Company be and is hereby accorded for authorising the Nomination and Remuneration Committee to approve payment of remuneration to Mr Vir S Advani, Vice Chairman & Managing Director of the Company, in excess of the limits prescribed under the said provisions, being the higher of ₹5,00,00,000 (Rupees Five Crores only) or 2.5% of the net profits of the Company;

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year(s) during his tenure as Vice Chairman & Managing Director, Mr Vir S Advani be paid the aforesaid remuneration as minimum remuneration for the said year(s);

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Nomination and Remuneration Committee be and are hereby authorised to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable Regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and subject to the provisions of the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr B Thiagarajan (DIN:01790498) as Managing Director of the Company for a period of five (5) years with effect from April 1, 2021, not liable to retire by rotation, upon the remuneration and terms and conditions set out in draft agreement placed before this meeting and initialed by the Company Secretary for the purpose of identification with liberty to the Nomination and Remuneration Committee of the Company to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Nomination and Remuneration Committee and Mr B Thiagarajan subject to the same not exceeding the limits specified under Section 197 of the Act read with Schedule V of the Act, or other applicable provisions of the Act;

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year(s) during his tenure as Managing Director, Mr B Thiagarajan be paid the aforesaid remuneration as minimum remuneration for the said year(s);

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Nomination and Remuneration Committee be and are hereby authorised to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**BLUE STAR LIMITED**  
**Kasturi Buildings**  
**Mohan T Advani Chowk**  
**Jamshedji Tata Road**  
**Mumbai 400 020**

**By Order of the Board of Directors**

**Vijay Devadiga**  
**Company Secretary**  
**Membership No: A11028**

Date : May 12, 2020

Place : Mumbai

## NOTES:

1. Pursuant to the General Circular numbers 20/2020, 17/2020, 14/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. In compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN COMPLIANCE WITH THE CIRCULARS THE AGM IS BEING HELD THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM.**
3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act') in respect of the Special Business specified under Item no(s) 4 to 6 of the accompanying Notice are annexed hereto. The Board of Directors has considered and decided to include the said items given above as Special Business in the forthcoming AGM, as they were unavoidable in nature.
4. Disclosure pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and Secretarial Standard on General Meetings (SS-2), with respect to Director seeking re-appointment at the AGM, is annexed to this Notice.
5. Corporate Members intending to authorise their representatives to participate the AGM through VC/OAVM on its behalf and to vote through remote e-voting/during the AGM, pursuant to Section 113 of the Act are requested to send a certified copy of the relevant board resolution to the Scrutiniser by email through its registered mail addresses to [navnitlb@nlba.in](mailto:navnitlb@nlba.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
6. The Board of Directors of the Company at its Meeting held on March 12, 2020 declared an Interim Dividend of ₹10 per equity share of ₹2 each for the financial year 2019-20.

The Interim Dividend declared by the Board of Directors was paid on or before March 30, 2020 to those Members whose names appeared:

- (a) As Beneficial Owners as at the end of business hours on March 20, 2020 as per the list furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), in respect of the shares held in electronic form.
- (b) As Member in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company or its Registrar and Transfer Agent (RTA) on or before March 20, 2020.

The Board considered and approved the Interim Dividend paid to the members as full and final dividend for the financial year 2019-20.

7. Pursuant to the provisions of Section 124 of the Act, the Unpaid/Unclaimed Dividend up to the financial year 2011-12 has been transferred by the Company to the Investor Education and Protection Fund (the 'IEPF') established by the Central Government.
8. Pursuant to the provisions of Section 124(5) of the Act, dividend for the financial year 2012-13 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 consecutive years or more, will be transferred to IEPF. Members who have so far not encashed the dividend warrant(s) for the financial year 2012-13 are requested to make their claim to Link Intime India Private Limited, RTA on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or to the Secretarial Department on [secretarialdesk@bluestarindia.com](mailto:secretarialdesk@bluestarindia.com), failing which the unpaid/unclaimed amount will be transferred to the IEPF in the month of September 2020. In accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") the Company has sent reminder to all the Members whose shares are due for transfer to the IEPF Authority through email to those Members whose email addresses was registered and said reminder would be sent to those Members without registered email address, through postal/courier services, if it resumes before due date of transfer and published the advertisement in the newspapers. Details of unpaid/unclaimed dividend are uploaded on the website of the Company [www.bluestarindia.com](http://www.bluestarindia.com).

Members are requested to take note of the aforesaid and claim their unclaimed dividends immediately to avoid transfer of the underlying shares.

Members can however, claim both, the unclaimed dividend amount and the shares transferred to IEPF, by making an online application to the IEPF Authority through Form IEPF-5 available on the website of the Authority [www.iepf.gov.in](http://www.iepf.gov.in) and in the manner specified under IEPF Rules.

9. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participants (DP). Members holding shares in physical form are requested to intimate the changes to the RTA of the Company. These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members.
10. Members are advised to avail the facility for receipt of dividends through Electronic Clearing Services (ECS).  
The Reserve Bank of India has launched a facility for receipt of dividends through National Electronic Clearing Service, a centralised ECS operation to provide a wider network, which requires updating of new bank account details with the DP. You are therefore advised to update your bank details with your DP (in case of those who are holding shares in dematerialised mode) or the RTA (in case of those who are holding the shares in physical mode) at an early date in order to avail the facility in future.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA of the Company.
12. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members may contact the Company's RTA for assistance in this regard.
13. In compliance with the Circulars, the Annual Report for the financial year 2019-20 alongwith the Notice of the AGM of the Company *inter alia* indicating the process and manner of e-voting is being sent only through electronic mode to those Members whose email addresses are registered with the Company/DP. Members may note that the Annual Report and the Notice is also available on the Company's website [www.bluestarindia.com](http://www.bluestarindia.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and also on the website of NSDL at <https://www.evoting.nsdl.com>.
14. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. Members seeking any information with regard to the accounts or all documents referred to in the accompanying Notice and the Explanatory Statements shall be available for inspection through electronic mode, by sending request to the Company at [secretarialdesk@bluestarindia.com](mailto:secretarialdesk@bluestarindia.com) on or before August 5, 2020. The same will be replied by the Company suitably.
16. M/s Deloitte Haskins & Sells LLP, Chartered Accountants were appointed as the Statutory Auditors of the Company for a period of five (5) consecutive years at the 70<sup>th</sup> AGM held on August 8, 2018. Their appointment was subject to ratification by the Members at every subsequent AGM, if so, required under the Act. In accordance with the amendment to the Act effective May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the AGM.
17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialised form, and to the RTA, in case the shares are held in physical form.
18. Since the AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not annexed to this Notice of the AGM.

#### **19. VOTING THROUGH ELECTRONIC MEANS**

- I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its Members, facility to exercise their right to vote on resolutions proposed to be considered at the ensuing AGM by electronic means and the business may be transacted through e-voting services.

- II. The remote e-voting will be provided by NSDL which will commence from August 3, 2020 (9:00 a.m. IST) and end on August 5, 2020 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of July 30, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members who have cast their vote by remote e-voting prior to the AGM may also participate the AGM through VC/OAVM but shall not be entitled to cast their vote again. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. The details of the process and manner for remote e-voting are explained as mentioned below:

**Step 1: Log-in to NSDL e-voting system at** <https://www.evoting.nsdl.com/>

**Step 2: Cast your vote electronically on NSDL e-voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-voting website?**

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in physical form.	EVEN followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, please follow the instructions mentioned below in the notice.

6. If you are unable to retrieve or have not received the “initial password” or have forgotten your password:
  - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant board resolution/authority letter, etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by email to [navnitb@nlba.in](mailto:navnitb@nlba.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, relating to e-voting you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). In case of any grievances connected with facility for E-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4<sup>th</sup> Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013. Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/[pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in), Tel: 91 22 2499 4545/ 1800-222-990.



**Process for registration of email id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate:**

Physical Holding	<p>Send a request to the RTA, Link Intime India Private Limited at <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.</p> <p>Additional details to be provided in case of updating Bank Account (for future purpose):</p> <ol style="list-style-type: none"> <li>Name and branch of the Bank;</li> <li>Account type and account number;</li> <li>9 digit MICR code number;</li> <li>11 digit IFSC Code; and</li> <li>A scanned copy of the cancelled cheque bearing name of the first shareholder.</li> </ol>
Demat Holding	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.

**IV. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- Members will be able to attend the AGM through VC/OAVM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.  
Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
- Members are encouraged to join the Meeting through desktop/laptops for better experience. Further, Members will be required to allow camera and use internet with high-speed to avoid any disturbance during the meeting.
- Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first serve basis and the Company may close the window for joining the VC/OAVM facility 30 minutes after the scheduled time to start the AGM.
- Members may note that the VC/OAVM facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-serve basis. The large shareholders (*i.e. shareholders holding 2% or more shareholding*), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-serve principle.
- Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact Mr Amit Vishal, Senior Manager – NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/ or at +91 22-24994360 or Ms Pallavi Mhatre, Manager- NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in)/ or at +9122-24994545.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [agmspeakers@bluestarindia.com](mailto:agmspeakers@bluestarindia.com) between August 3, 2020 (9:00 am IST) to August 5, 2020 (5:00 pm IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

## **V. Other Instructions:**

- i. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication(s).
- ii. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of July 30, 2020.
- iii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. July 30, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if/she is already registered with NSDL for remote e-voting then he/she can use the existing user ID and password for casting the vote.
- iv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories, as on the cut-off date shall only be entitled to avail the facility of remote e-voting or casting vote through e-voting during the AGM .
- v. Mr Bharat Upadhyay of M/s N L Bhatia & Associates, Practicing Company Secretaries (Membership No. 5436 CP No. 4457) has been appointed as the Scrutiniser to scrutinise the remote e-voting process and e-voting during the AGM in a fair and transparent manner.
- vi. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiniser, to all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- vii. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- viii. The results declared along with the report of the Scrutiniser shall be placed on the website of the Company [www.bluestarindia.com](http://www.bluestarindia.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com), immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.
- ix. Subject to receipt of requisite number of votes, the resolutions proposed in the Notice shall be deemed to be passed on the date of the AGM, i.e. Thursday, August 6, 2020.



# Annexure to Notice

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s Narasimha Murthy & Co, Hyderabad, Cost Accountants (Firm Registration No.000042), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020 at a remuneration of ₹13,00,000 (Rupees Thirteen Lakhs only) (excluding out of pocket expenses and applicable taxes).

In terms of the provisions of Section 148 of the Companies Act, 2013 (the 'Act') read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

The Board of Directors recommends the ordinary resolution as set out at item no.4 of the Notice for the approval by the Members. None of the Directors, Key Managerial Personnel or their relatives are, financially or otherwise, concerned or interested in the said resolution.

### ITEM NO. 5

Mr Vir S Advani, 44 years, holds Bachelor's Degrees in Systems Engineering and in Economics from the University of Pennsylvania. He has also completed a comprehensive Executive Management Program at Harvard Business School.

Mr Vir S Advani, after a 2-year working stint in private equity in New York, joined erstwhile Blue Star Infotech Ltd in 2000 and then founded Blue Star Design & Engineering Ltd in 2003, designated as its Chief Executive Officer. In 2007, he moved to Blue Star as Vice President - Corporate Affairs, where he made valuable contributions in a profit improvement programme as well as in Electro-Mechanical projects.

In April 2016, Mr Vir S Advani was appointed as the Managing Director of the Company, and in April 2019, he was elevated to Vice Chairman and redesignated as Vice Chairman & Managing Director. In his enhanced role, Vir S Advani is the primary interface between the Board and the Executive Management, and directly oversees the PE&IS business, International Operations, Corporate Finance, Corporate Human Resources, Information Technology and Corporate Planning. Mr Vir S Advani is a Director of Blue Star Engineering & Electronics Ltd. He is an active member of the Confederation of Indian Industry and an elected member of CII National Council.

The Board of Directors, at its meeting held on May 12, 2020, based upon the recommendation of the Nomination and Remuneration Committee at its meeting held on April 23, 2020, considered and approved the re-appointment of Mr Vir S Advani as the Vice Chairman & Managing Director for a further period of 5 (five) years with effect from April 1, 2021, not liable to retire by rotation.

Mr Vir S Advani satisfies all the conditions set out in Part I of Schedule V of the Companies Act, 2013 (the 'Act') as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

Therefore, approval of the Members of the Company is sought for the re-appointment of Mr Vir S Advani as Vice Chairman & Managing Director of the Company for a period of five (5) years with effect from April 1, 2021.

The detailed profile of Mr Vir S Advani is provided under the head 'Profile of Directors being eligible for re-appointment as required under Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in order of the items mentioned in the Notice' forming part of the notice.

The abstract of the terms and conditions contained in the draft agreement as under:

#### A. Salary:

Basic Salary at the rate of ₹1,04,22,961 per annum with annual increments at such rate as may be approved by the Nomination and Remuneration Committee subject to a ceiling of 30% of his basic salary. For reference, the Basic Salary paid to Mr Vir S Advani in the financial year 2019-20 was ₹1,04,22,961.

#### B. Variable Pay and Performance linked Incentives:

- 1. Variable Pay:** ₹172.50 lakhs per annum, based on the achievement of the key results areas as approved by the Nomination and Remuneration Committee.
- 2. Performance linked Incentives:** Variable performance pay linked to his performance ratings in accordance with the relevant scheme(s) of the Company in this behalf and/or as approved by the Nomination and Remuneration Committee.

**C. Perquisites:**

- a) In addition to the salary, variable pay and performance linked incentives, Mr Vir S Advani is also entitled to perquisites and allowances including furnished accommodation or house rent in lieu thereof; gas, electricity, water and furnishings; medical reimbursement and leave travel concessions for self and family; club fees; and personal accident insurance or such other perquisites and/or cash compensation in accordance with the Rules applicable to other senior executives of the Company, subject to the condition that the total perquisites, including the cash compensation, will be restricted to an amount equivalent to twice his annual salary.  
For the purpose of calculating the above, perquisites shall be valued as per Income-tax Rules wherever applicable.
- b) Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these are, either singly or put together, not taxable under the Income-tax Act, 1961; Gratuity benefits as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of perquisites.
- c) Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

The total remuneration shall not exceed the individual and overall ceilings prescribed under Section 197 of the Act for the time being and from time to time in force.

In the event of loss or inadequacy of profits in any financial year, and Mr Vir S Advani shall be paid remuneration by way of salary and perquisites in accordance with the limits laid down in Schedule V of the Act, or any statutory modifications therein or re-enactment thereof. The Nomination and Remuneration Committee shall have the discretion and authority to modify the foregoing terms of remuneration within the parameters of the applicable provisions of the Act.

**D. Leave:**

In accordance with the rules of the Company as applicable to other senior executives of the Company.

**E. Others:**

Reimbursement of actual entertainment expenses, actual travelling and hotel expenses for the Company's business and/or allowances as per the Company's Rules.

**F. Termination:**

The Agreement may be terminated:

- (a) forthwith by notice in writing on his vacation of office of Director by virtue of the applicable provisions of the Act; or
- (b) by giving 6 months' notice in writing by either party.

**G. Arbitration:**

Disputes to be settled by arbitration.

A copy of the draft Agreement will be available for inspection by the members through electronic mode on all the working days during the normal business hours.

Further, as required under Regulation 17(6)(e) of the Listing Regulations, approval of the Members of the Company is requested for authorising the Nomination and Remuneration Committee for payment of remuneration to Mr Vir S Advani, Vice Chairman & Managing Director of the Company, in excess of the limits prescribed under the said provisions, being the higher of ₹5,00,00,000 (Rupees Five Crores only) or 2.5% of the net profits of the Company, the said approval shall be valid during his tenure.

Except for Mr Vir S Advani, as it concerns himself and Mrs Sunaina Murthy, being relative of Mr Vir S Advani, none of the other Directors of the Company and Key Managerial Personnel of the Company and their respective relatives, financially or otherwise, is concerned or interested in the said Resolution.

The Board of Directors recommends the special resolution as set out at item no.5 of the Notice for the approval by the Members.

**ITEM NO. 6**

Mr B Thiagarajan, 62 years, holds a Bachelor's Degree in Electrical and Electronics Engineering from Madurai University. He has also completed the Senior Executive Program of London Business School. He has over four decades of experience, having worked for reputed companies such as Larsen & Toubro Ltd, BPL Systems Ltd and Voltas Ltd, prior to joining Blue Star in 1998.